

Minutes

Joint Legislative Program Evaluation Oversight Committee

May 20, 2019

Members Present

Senator Don Davis
Senator Chuck Edwards
Senator Paul Newton
Senator Andy Wells

Representative Craig Horn, Chair
Representative Becky Carney
Representative Jean Farmer Butterfield
Representative Ted Davis
Representative Rena Turner

Representative Craig Horn, Chair, called the meeting to order.

Representative Turner moved to approve the April 8, 2019 Minutes. Motion carried.

Chairman Horn recognized John Turcotte, Director of Program Evaluation, who introduced Natalie Garrett, a new staff member.

In December 2018, the General Assembly passed Session Law 2018-143, which directed the Legislative Services Commission to engage a 340B consultant to prepare a proposal for the Health Resources and Services Administration (HRSA)-compliant purchasing of inmate medications through a Disproportionate Share Hospital.

Chairman Horn recognized Bill von Oehsen and Shuchi Parikh, contractors with the Powers Pyles Sutter & Verville PC Law Firm who have expertise in the 340B program, to present their proposal entitled ***Recommendations for a 340B Correctional Partnership in North Carolina***.

Recommendation 1: The General Assembly should direct DPS to partner with NC DHHS to enroll in the 340B program as an STD Sub-Grantee and use the program to purchase medications, including HIV and Hepatitis C (HCV) drugs for the STD inmate population.

Recommendation 2: The General Assembly should direct DPS to issue an RFP for a partnership with one or more 340B hospitals to serve non-HIV/HCV inmates.

Recommendation 3: The General Assembly should direct DPS to partner with UNC to receive 340B savings on non-HIV/HCV retail medications prescribed as a result of treatment provided at a 340B-registered UNC location.

Chairman Horn recognized Jacob Davis, Bill Drafting Division, to present the bill draft that would implement the consultant's recommendations.

The Committee heard remarks on the 340B program from Chris Holland, Department of Public Safety; Amanda Fuller Moore, Department of Health and Human Services; and Jami Mann, UNC Healthcare.

Chairman Horn announced the bill draft would be voted on at the next meeting in June.

Chairman Horn next recognized Brent Lucas, Principal Program Evaluator, to present the report entitled ***Administrative Missteps and Lack of Expertise Led to Delays and \$3.7 Million in Unnecessary State Spending for Hurricane Matthew Recovery***. The report examined the implementation of the 2016 and 2017 Disaster Recovery Acts, passed in response to Hurricane Matthew and the western wildfires of 2016. PED examined the State's structure for distributing state and federal funds, whether structural modifications could increase the efficiency of fund distribution, and if modifications to disaster recovery reporting requirements would provide the General Assembly with more complete and better-integrated information.

Recommendation 1. The General Assembly should direct DPS to revise its procurement methods to ensure future Community Development Block Grant-Disaster Recovery (CDBG-DR) contracts are HUD-compliant, report to the General Assembly on these efforts, and report annually on the amount of non-reimbursed state funds used to administer CDBG-DR.

Recommendation 2. The General Assembly should require the North Carolina Office of Recovery and Resiliency (NCORR) to notify various entities of the potential for using CDBG-DR funds to meet matching requirements immediately following a presidential disaster declaration.

Recommendation 3. The General Assembly should direct NCORR to take actions to ensure its effectiveness, preparedness, and ability to limit unnecessary state spending on current and future natural disasters, and consider establishing core NCORR permanent positions.

Recommendation 4. The General Assembly should revise statutory reporting requirements to require NCORR to report on the performance of federal and state disaster recovery funds.

Representative Howard requested that PED conduct follow-up research on the other disaster recovery funds managed by DPS besides CDBG-DR funds.

Chairman Horn recognized Kiernan McGorty, Committee Counsel, to present the bill draft that implements PED's recommendations.

The committee heard remarks on disaster recovery funds from Laura Hogshead, Department of Public Safety, and Kenny Flowers, Department of Commerce.

Chairman Horn announced the bill draft would be voted on at the next meeting in June.

Chairman Horn then announced that the report entitled ***North Carolina Should Focus on Early Childhood Learning in Order to Raise Achievement in Predominantly Disadvantaged School Districts*** was in member folders but would not be presented today due to time restraints. However, the presentation can be found on PED's webpage as a YouTube presentation.

Chairman Horn recognized Carolina Sorensen, Bill Drafting, to present the bill draft that implements PED's recommendation.

Chairman Horn announced the bill draft would be voted on at the next meeting in June.

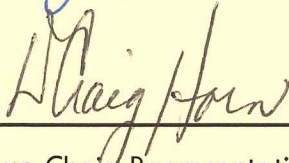
Chairman Horn referred to two potential projects for the 2019-20 work plan—Housing Finance Agency and Diversity in the Teacher Workforce. Senator Edwards made a motion to amend the work plan to include the two projects. Motion passed.

Chairman Horn announced that the committee would meet again on June 10, 2019.

With no further business, the committee adjourned.



Senate Chair, Senator Brent Jackson



House Chair, Representative Craig Horn